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C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 002900

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E.O. 12958: DECL: 09/18/2016
TAGS: [PREL](#) [PGOV](#) [ECON](#) [VE](#) [IR](#)
SUBJECT: CHAVEZ HOSTSAHMADINEJAD: BRV FORGING EVER CLOSER
RELATIONS WTH IRAN

REF: A. CARACAS 002829
[1](#)B. CARACA 002527

Classified By: ACTING POLITICAL COUNSELO DANIEL LAWTON,
REASONS 1.4 (B) AND (D)

[1](#)1. (C Summary. President Chavez hosted Iranian President Ahmadinejad for a September 17-18 red carpet visit to Venezuela, a follow-on to Chavez' July 29 August 1 state visit to Iran. The two leaders reportedly signed 34, mostly commercial, accords as part of a "strategic alliance" against American imperialism (sic). While it remains to be seen how many of these bilateral agreements are actually implemented, both countries are pouring significant resources into some new joint oil, petrochemical, and industrial ventures. Chavez' efforts to forge even closer ties with Iran reflect his determination to team up with controversial partners, such as Syria, Belarus, and Cuba (Refs), based not so much on natural common ground, but rather on their collective differences with the United States and the broader international community. Chavez also repeatedly defended Iran's nuclear ambitions to the media during Ahmadinejad's visit. Department may want to draw on Venezuela's exceptionally close and growing ties to Iran to help make the case against Venezuela in the upcoming UNSC election. End Summary.

Hugo, My Brother

[1](#)2. (SBU) Immediately following their attendance at the Non-Aligned Summit in Havana, President Chavez welcomed and escorted Iranian President Mahmoud Ahmadinejad on a September 17-18 visit to Caracas and two states in Venezuela. The two leaders reportedly signed a total of 34 accords during the 30-hour visit, consisting of a joint declaration, agreements, MOU's, and joint ventures. The joint declaration heralds the "strategic alliance" between Venezuela and Iran, calling it an "expression of the countries of the Southern Hemisphere and the emergence of an alternate paradigm against the dominant imperialism."

[1](#)3. (U) Upon his arrival September 17 at the Maiquetia Airport, Ahmadinejad hailed "all the free and liberator countries, and all the revolutionaries who are against world hegemony." Chavez praised Ahmadinejad and the Islamic Revolution repeatedly and presented the Iranian leader with a medal at a September 17 ceremony at the Military Academy.

After receiving the medal from Chavez, Ahmadinejad told the invited audience that he felt like he was in his "second home," and added that "Hugo is my brother." The Iranian President also reportedly praised Chavez as "the champion and leader of the fight against imperialism, and the symbol of this fight in all of Latin America."

¶4. (SBU) Venezuelan government media outlets gave Ahmadinejad's visit wide coverage, including ample satellite TV coverage of the September 17 opening of a mosque (in conjunction with the joint opening of a petrochemical training center in El Moron) as well as the joint inauguration of a \$250 million cement factory in the state of Monagas. The extensive government coverage of the Iranian president's visit substituted for Chavez' weekly Sunday "Alo, Presidente" broadcast, prompting Chavez to refer to the day's activities as "Alo, Ahmadinejad." On September 18, Chavez and Ahmadinejad launched the drilling of a new oil field in the state of Anzoategui and traveled to Bolivar state to hand out 54 red tractors produced by the joint venture Ven-Iran to agricultural cooperatives. Venezuela and Iran have previously signed a number of agreements on housing, oil & gas, transportation, agriculture, and petrochemicals during March 2005. The two most visible projects have been the Cerro Azul cement plant in Monagas state and the Ven-Iran tractor assembly plant in Bolivar state.

¶5. (SBU) According to the local media and MFA website, Chavez and Ahmadinejad signed accords that create:

- a joint \$200 million fund to promote joint macro-production projects;
- a joint PDVSA-Petropars venture to explore and drill for oil and gas in the Ayacucho 7 block of the Orinoco strip;
- a joint Pequiven and the Iranian National Petrochemical